



I. ACTIVE PRIORITIES

Brexit			
CMCE priorities	Status / latest developments	Next steps	CMCE action
Transitional arrangements Ancillary activity test	<p>The FCA published near-final rules on preparations for a no-deal Brexit including a policy statement incorporating feedback from public consultations on Brexit which were conducted in 2018 which the FCA responds to point-by-point.</p> <p>In a no-deal scenario, the FCA states that derivatives trades must be reported to trade repositories (TRs) immediately from 29 March onwards in compliance with EMIR or a back-log of reports must be provided. The FCA does not intend to provide transitional relief for TRs or TR users, but do not intend to take enforcement action against firms for not meeting all requirements where there is evidence they have taken reasonable steps to prepare to meet the new obligations by exit day.</p> <p>On the timing of the entry into force of EMIR Refit, the FCA's intention is to continue publishing updates on their dedicated page and to onshore EMIR Refit through powers in the Financial Services Bill on the implementation of legislation which is currently being discussed in the UK Parliament. As such, it is out of scope of the current exercise.</p> <p>On MiFIR transaction reporting, the scope of the reporting obligation in the onshored version of MiFIR is linked to instruments traded on UK and EEA trading venues (TVs). The scope of reportable instruments is the same as the scope of instruments in the onshored MAR. In a no-deal scenario, the FCA will operate its own equivalent of ESMA's FIRDS database of instruments traded on EEA TVs, so that market participants can access</p>		<p>The CMCE Brexit WG had a call on 1 March regarding possible CMCE engagement to push the European Commission to adopt an equivalence decision for UK trading venues under EMIR, in the case of a no deal Brexit. CMCE members are being consulted via email on whether they would object to CMCE sending a letter to the Commission on this topic.</p>

	reference data for instruments that are traded on TVs in the UK and in the EEA.		
MiFID II			
CMCE priorities	Status / latest developments	CMCE action	
AA exemption Position limits Reporting Physical forwards	There have been no significant developments in the last two weeks.		
EMIR REFIT			
CMCE priorities	Status / latest developments	Next steps	CMCE action
Reporting Risk mitigation for uncleared trades Calculation of NFCs positions	Following the political deal in trilogues and technical work, the text on EMIR Refit was put into the silence procedure in the Council for verification by Member States which was concluded on 26 February. Since no member state raised any issues with the text, it will now be submitted for formal approval by Member State ambassadors in COREPER on the 6 March as an item without discussion. The text will then need to be formally approved by the European Parliament and the Council at Ministerial level before publication in the Official Journal.	6 March – COREPER to approve deal on EMIR Refit 11-14 March – Possible plenary vote on EMIR Refit End of Q2 2019 – Estimated entry into force of EMIR Refit	
Benchmarks			
CMCE priorities	Status / latest developments	Next steps	CMCE action
Commodity benchmarks	<u>Low-carbon benchmarks</u>	12 March – Trilogue on the ESAs review	

<p>Critical benchmarks</p> <p>Third country equivalence</p>	<p>On 25 February during the 4th political trilogue, the Council and Parliament announced that they had reached a political agreement on the proposal. One of the key points of the deal is that providers of critical benchmarks and third-country benchmarks have been granted 2 more years until 31 December 2021 to comply with the BMR.</p> <p><u>ESAs review</u></p> <p>Further trilogues took place on the ESAs review on 21 and 27 February. On the supervision of benchmarks, the Presidency has suggested that ESMA be provided with powers to directly supervise EU critical benchmarks (as per the EP and Council text) and (as per the EP text) supervised contributors to EU critical benchmarks and third country benchmarks (equivalence, recognition and endorsement), without the review role for endorsement as the EP has suggested.</p> <p>The Presidency is also suggesting to member states to delete the text on ESMA's role in the designation of all critical benchmarks, as per the Council text, and to remove the possibility by ESMA to request information from users of benchmarks which is in the Council General Approach. The trade-off would be to concede to the EP on keeping the provisions with regard to information requests to contributors of input data to EU critical benchmarks.</p>	<p>June 2019 – Commission Expert Group on Sustainable Finance to publish report on carbon benchmarks</p>	
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II. WATCHING BRIEF

IFR		
CMCE priorities	Status / latest developments	Next steps
<p>Commodity dealer IF regime</p> <p>Scope of Class I</p>	<p>A political deal was reached in trilogues on the IFR on 26 February.</p> <p>A Presidency note on the outcome was circulated to the CMCE Regulatory capital WG. On the concentration risk regime for commodity dealers, the political agreement keeps the broader exemption for</p>	

Changes to MiFID II/MiFIR 3rd country regime	commodity dealers (covering their external trades as well as intra-group trades) as in the Council's approach.	
MAR		
CMCE priorities	Status / latest developments	Next steps
Insider dealing MM indicators	There were no significant developments in the last two weeks.	
SFTR		
CMCE priorities	Status / latest developments	Next steps
Reporting Obligations	There were no significant developments in the last two weeks.	
Other relevant developments		
International role of the euro	On 14 February, the Commission launched a consultation on strengthening the global role of euro in the field of energy.	22 March – Close of consultations on international role of the euro in agriculture and food commodities and on non-agricultural raw materials (metals and minerals) 31 March – Close of consultation on the role of the euro in the field of energy End of March – Close of consultation on role of euro and liquidity in FX markets